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SUBJECT: SETTING THE SCENE FOR U.S.-VIETNAM POLICY PLANNING TALKS,  
8/31-9/1

#### OVERVIEW

1. (SBU) Director Slaughter: Your Policy Planning Talks with the Vietnamese, the second since discussions were inaugurated last October, come to mine clearance and technical assistance designed to help Vietnam meet its WTO and BTA obligations. Strategically, Vietnam views the U.S. pr influence will wane as the country's young population -- the first generation in memory to live without war -- increasingly looks to the West.

2. (SBU) Profound differences remain, however, particularly in our approach to human rights. While Vietnam has made strides in improving rel which is firmly rooted in realpolitik.

#### YOUR HOSTS AND THE AGENDA

3. (SBU) Your direct counterpart for the talks, MFA Director General Pham Huu Chi, is new to his position, but brings a range of interesting experiences. DG Chi's most recent assignment was as DCM in Seoul, and he is in will be co-chaired by Dang Dinh Quy, who served as Political Counselor at Vietnam's embassy in Washington and is a longtime contact of DAS Marc

4. (SBU) As scheduled, the formal Policy Planning Discussions will encompass five sessions:

- Foreign policy priorities of the United States and Vietnam (dinner, no lead)
- Political, security, economic changes in Asia-Pacific; role of major and emerging powers in the region (U.S. lead)
- Evolving regional institutions and structures in East Asia, including ASEAN, ASEAN+3, ARF, EAS, Six Party Talks (Vietnam lead)
- Making multilateral formal and informal institutions work: G20, UN, ASEAN, (U.S. lead)
- Wrap-up: U.S.-Vietnam bilateral relations, policy planning follow up (Vietnam)

5. (SBU) As with last year, a common thread in all of these will be Vietnam's desire to be seen as a responsible member of the international community, keen to assume international and regional responsibilities. In your discussions, you will meet sophisticated individuals eager to put to rest the i encounter a clear-eyed acknowledgment of Vietnam's status as a small power locked into an asymmetrical relationship with its northern neighbor,

#### VIETNAM'S FOREIGN POLICY PRIORITIES

6. (SBU) Vietnam professes a "friends to all" foreign policy, guided by a non-interventionist ethic similar to China's famous Five Principles cultivating a diverse range of bilateral friendships and enmeshing these in a framework of multilateral engagement. In this context, Vietnam's

7. (SBU) Mistrust of China runs deep, fed by historical animosities and simmering resentment over what is widely viewed as a weak position or

8. (SBU) Vietnam has been professional and well-briefed at the UN Security Council, but cautious. Hanoi has been eager to join consensus whe voting for example to support sanctions on Iran and North Korea. But Vietnam has shied away from taking a leadership role, and where there has

9. (SBU) We expect Vietnam to do better as ASEAN Chair, a position it assumes in 2010. Vietnam puts great store in ASEAN and has suggested repeatedly that it would like to facilitate better contact between ASEAN and its was Secretary Clinton's visit to the ASEAN Secretariat in Jakarta and the strong support for deepened engagement that she articulated in Phuket

10. (SBU) Vietnam tends to look at a number of regional issues, including Burma, through an ASEAN lens. Thus, while Vietnam has steadfastly significant that Vietnam did not block a relatively strong ASEAN statement about the retrial of Aung San Suu Kyi. Vietnam has long urged the U

#### HUMAN RIGHTS AND RELIGIOUS FREEDOM

11. (SBU) For Vietnam, non-interference is not just an abstract principle, but also a reflection of narrow self-interest. Vietnam has a poor more responsive to international calls for dialogue, engaging the United States and others in annual formal human rights discussions. While yc Vietnam continues to deflect criticism by blaming "overseas Vietnamese" communities for spreading misinformation, as it did most recently durin

12. (SBU) The human rights picture is not all bleak, to be sure. Economic growth has brought with it an enormous expansion of personal freed notwithstanding, remains determined to maintain political order and to preserve regime stability, goals it sees as synonymous. The lessons of Politburo and Central Committee. This paranoia was on remarkably clear display on August 19, when state Television broadcast a series of heavi

#### ECONOMIC SUCCESSES AND CHALLENGES

13. (SBU) During last year's policy planning discussions, Dang Dinh Quy quipped that Vietnam's leadership welcomed the TARP and auto bailouts that the United States was progressing toward a "socialist economy." Apart from the obvious irony, the remark was telling because capitalist-c economy is beginning to recover. The country's 6.2% GDP growth in 2008 -- though not bad in a regional context -- was the lowest since 2000, a to decline further in 2009, with most projections below 5%. Nevertheless, bilateral goods trade in 2008 was up 25% from the previous year, and

15. (SBU) We are seeking to keep up the momentum with BIT negotiations and are pushing Vietnam to further open key markets such as beef. We by Vietnam's decision to join the Trans-Pacific Partnership as an associate member. The Vietnamese will be interested to hear how the concept Washington, particularly in the context of other FTA negotiations. You may hear calls for Vietnam to be designated as a beneficiary under the duty cases, although these are also signs of a thriving trade relationship.

#### THE MILITARY RELATIONSHIP AND MIA/POW ISSUES

16. (SBU) Vietnam's apprehensions about China come into play most directly perhaps in our military-military relations. But here too there ha achievements: accounting for 645 Americans previously listed as MIA (1332 remain missing in Vietnam). This summer's use of a U.S. Navy ship, t

17. (SBU) Largely on these foundations, the two sides' militaries are slowly developing ties and have discussed cooperation in areas such as and meteorological information exchanges. These and other initiatives -- such as expanding English-language training under IMET, ship visits, and encouraging Vietnam to participate in global peacekeeping operations -- wer

#### HEALTH DIPLOMACY/AGENT ORANGE/UNEXPLODED ORDNANCE

18. (SBU) Currently about 80 percent of all U.S. development aid is in the areas of health and disability. HIV/AIDS assistance under the Pre influenza in Vietnam, with two fatalities. The actual number is probably higher, as many people do not seek medical treatment unless they are to provide guidance on containment and treatment.

19. (SBU) Agent Orange (along with its contaminant, dioxin) remains a visceral and heavily propagandized issue, as evidenced in the local pre

#### U.S. ASSISTANCE: TRADE, EDUCATION, ENVIRONMENT

20. (SBU) U.S. assistance levels in other areas remain disproportionately low, particularly when compared with aid provided to neighboring developing nations. Even so, programs such as USAID's STAR and the Vietnam Competi Washington. The Educational Task Force formed as a product of the visit met in January in HCMC to discuss ways forward in several key areas, i universities now ranks eighth in the world.

21. (SBU) During PM Dung's visit, the United States and Vietnam also agreed to accelerate cooperation on climate change adaptation and mitig Institute at Can Tho University. Supported by the U.S. Geological Survey, the

DRAGON Institute supplements U.S.-funded initiatives already underway to assist Vietnam's climate change response. Expanded cooperation from t

WHAT YOU CAN EXPECT  
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122. (SBU) Complaints that we have heard from some Vietnamese officials that "this year is nothing special" miss the mark. Nevertheless, the because Vietnam's security and economic growth have become inextricably enmeshed in an international system of which the United States remains MICHALAK